

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

## #1 – Qualified Change in Status Event

### A. Change in Employee’s Legal Marital Status that affects Eligibility

#### 1. Gain Spouse (e.g., marriage)

Employee may enroll or add newly-eligible spouse and dependent children.

Note: Under IRS “tag-along” interpretation, new and preexisting dependents may also be enrolled.

Employee may revoke or decrease employee’s or dependent’s coverage only when such coverage becomes effective or is increased under the spouse’s plan.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

See #6 – HIPAA Special Enrollment Rights.

Employee may enroll or increase HCFA contribution.

Must submit change request within 31 days of marriage.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

Employee may enroll or increase DCFSA contribution to accommodate newly-eligible dependents.

Employee may revoke election if new spouse is not employed.

Employee may reduce contribution if new spouse contributes to his or her employer’s plan since combined family maximum cannot exceed \$5000 a year.

Must submit change request within 31 days of marriage.

New Election is effective the first of the month following the marriage or the first of the month following submission of the change form if later.

Employee may enroll or increase coverage for Employee, Spouse or Dependent Child.

Guarantee Issue provisions apply.

Marriage is a “Life Change Event” under Group Term Life.

Must apply within 31 days of marriage.

Coverage up to the Guaranteed Issue amount will be effective the first of the month following the marriage.

If applying for coverage in excess of the Guaranteed Issue amount, coverage will be effective the first of the month following underwriting approval. A Medical History Statement is required.

#### 2. Lose Spouse (e.g., death, divorce, legal separation, or annulment)

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

Employee may revoke coverage for spouse only. “Tag-along” concept does not apply to revocations or reductions in coverage.

Employee may elect coverage for self or dependents that lose eligibility under spouse’s plan as a result of the divorce, legal separation, annulment, or death. Under IRS “tag-along” interpretation, any dependents may be enrolled so long as at least one dependent has lost coverage under spouse’s plan.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, divorce or annulment or the first of the month following submission of the change form if later.

### Health Care FSA

Employee may decrease HCFSA contribution to reflect loss of spouse’s eligibility.

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, legal separation, divorce or annulment or the first of the month following submission of the change form if later.

### Dependent Care FSA

Employee may enroll or increase DCFSA contribution to accommodate newly-eligible dependents (e.g. due to death of non-working spouse)

Employee may reduce contribution to zero if eligibility is lost (e.g. due to dependent now residing with ex-spouse).

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following the date of death, divorce, legal separation or annulment or the first of the month following submission of the change form if later.

### Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

Spouse life insurance coverage must be cancelled.

Coverage ends on the date of death, divorce, legal separation, or annulment.

Premium is payable for the month in which the loss occurred.

## B. Change in the Number of Employee’s Tax Dependents Eligible for Coverage

### 1. Gain Dependent (e.g., birth, adoption, placement for adoption, marriage)

Employee may enroll or increase coverage for newly-eligible dependent (and any other

Employee may enroll or increase contribution to accommodate newly-eligible dependent.

Employee may enroll or increase contribution to accommodate newly-eligible dependents (and any other

Birth or Adoption by Employee is a Life Change Event under the Group Life Insurance Plan.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

dependents that were not previously covered under IRS “tag-along” rule).

Must submit change request within 31 days of Change in Status Event.

New Election is effective the first of the month following date of birth, adoption, or placement for adoption, providing the change request is timely.

Note: Coverage is effective on the date of birth, adoption, or placement for adoption even though premium is not payable until the next first of the month.

See #6 – HIPAA Special Enrollment Rights.

### *2. Lose Dependent (e.g., death, attainment of limiting age, or loss of student status)*

Employee may drop coverage only for the dependent who loses eligibility

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the

### Health Care FSA

Must submit change request within 31 days of Change in Status Event.

New election is effective the first of the month following the birth, adoption, or placement for adoption; or the first of the month following submission of the change form if later.

Employee may decrease contribution to reflect loss of eligible dependent.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the

### Dependent Care FSA

dependents who were not previously covered under IRS “tag-along” rule).

Must submit change request within 31 days of Change in Status Event.

New election is effective the first of the month following the birth, adoption, or placement for adoption; or the first of the month following submission of the change form if later.

Employee may decrease election to reflect loss of eligible dependent.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the

### Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

Employee may enroll or increase coverage for Employee, Spouse or Dependent Child.

Guarantee Issue provisions apply.

Must apply within 31 days of birth or adoption.

Coverage up to the Guaranteed Issue amount will be effective the first of the month following the birth or adoption.

If applying for coverage in excess of the Guaranteed Issue, coverage will be effective the first of the month following underwriting approval.

Employee must cancel coverage for ineligible dependent.

Coverage will terminate the end of the month in which the dependent becomes ineligible.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

status change event, or the first of the month following submission of the change form if later.

month following submission of the change form if later.

month following submission of the change form if later

### C. Change in Employment Status of Employee, Spouse, or Dependent That Affects Eligibility

#### *1. Commencement of employment by spouse or dependent or other employment event triggering eligibility under spouse's or dependent's plan*

Employee may revoke or decrease employee's, spouse's, or dependent's coverage, but only if employee, spouse or dependent is added to spouse's or dependent's plan.

Not applicable.

Employee may enroll to reflect new eligibility (e.g. if spouse previously did not work).

Not applicable

Must submit change request within 31 days of Change in Status Event.

Must submit change request within 31 days of Change in Status Event.

New election will be effective the first of the month following the date of the status change event or the first of the month following submission of the change form if later.

New election will be effective the first of the month following the date of the qualifying status change event or the first of the month following submission of the change form if later.

#### *2. Termination of employee's employment or other change in employment status resulting in a loss of coverage.*

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

Coverage ends the last day of the month of termination of employment or loss of eligibility.

#### *3. Termination and rehire within 30 days*

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage unless another event has occurred that allows a change. Missed

Prior elections at termination are reinstated with no break in coverage. Missed contributions must be made up.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

contributions must be made up.

contributions must be made up.

contributions must be made up.

#### **4. Termination of spouse's or dependent's employment (or other change in employment status resulting in a loss of coverage under their employer's plan)**

Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's plan. In addition, other previously eligible dependents may also be enrolled under "tag-along" rule.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's qualified HCFSa plan.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later

Employee may revoke election to reflect loss of eligibility for coverage (e.g. if spouse is not employed).

Employee may enroll or increase election for employee, spouse or dependents who lose coverage under spouse's or dependent's employer's qualified DCFSA plan.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

Not applicable

#### **D. Dependent Satisfies or Ceases to Satisfy Eligibility Requirements**

##### **1. Event by which dependent satisfies eligibility requirements under employer's plan (e.g., attaining a specified age, becoming a student, becoming disabled, etc.)**

Employee may enroll or increase election for newly-eligible dependent. In addition, other previously-eligible dependents may also be enrolled under "tag-along" rule.

Employee may increase contribution to take into account expenses of affected dependent.

Must submit change request within 31 days of Change in Status Event.

Employee may increase election to take into account increased dependent care expenses.

Must submit change request within 31 days of Change in Status Event.

Not applicable

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

### *2. Event by which covered dependent ceases to satisfy eligibility requirements under employer's plan (e.g., attaining a limiting age, getting married, ceasing to be a student, etc.)*

Employee may decrease or revoke election only for affected dependent.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later

Employee may decrease contribution to take into account ineligibility of expenses of affected dependent.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

Employee may decrease or revoke contribution, but only if eligibility for DCFSA is affected (e.g., dependent attains age 13).

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later

Coverage ends the last day of the month in which eligibility ends.

### **E. Change in Place of Residence of Employee, Spouse, or Dependent that affects Eligibility**

#### *1. Employee's change of residence causes loss of eligibility (e.g., employee moves outside HMO service area)*

Employee may elect coverage under another benefit package option providing similar coverage. If no

No change allowed.

Not applicable.

Not applicable.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

option providing similar coverage is available, employee may revoke election.

Must submit change request within 31 days of Change in Status Event.

New Election will be effective the first of the month following the status change event, or the first of the month following submission of the change form if later.

## #2 - Significant Cost Changes

### A. Cost Decrease

If Plan Administrator determines that decrease in cost is significant, Employee may enroll (even if coverage was previously waived).

Not applicable

For significant cost reductions, employee may reduce contribution correspondingly.

Not applicable

Must submit change request within 31 days of the specified event.

Contribution may be reduced or discontinued if dependent care costs end due to a reduction or discontinuation of service.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

Must submit change request within 31 days of the specified event.

No change permitted for “insignificant” decrease in cost as

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

determined by Plan Sponsor.

change form if later.

#### B. Cost Increase

If Plan Administrator determines that cost increase is significant, Employee may elect coverage under another benefit package option providing similar coverage. If no option providing similar coverage is available, employee may revoke election.

Not applicable

For a significant cost increase, employee may increase contribution correspondingly

Not applicable

No change can be made when the cost increase is imposed by a dependent care provider who is a relative of the employee.

Must submit change request within 31 days of the specified event.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

No change permitted for “insignificant” cost increase as determined by Plan Sponsor.

### #3 - Significant Curtailment of Coverage (With or Without Loss of Coverage)

*(e.g., health care plan withdraws from the market or eliminates line of coverage)*

If Plan Administrator determines that the curtailment of coverage is significant, the affected participant may revoke election for curtailed

Not applicable

Not applicable.

Not applicable

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life

(not subject to Salary Reduction Plan or  
Section 125 regulations)

coverage *and* make new prospective election for coverage *or* drop coverage if no similar benefit package option is available.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

No change permitted for “insignificant” curtailment of coverage as determined by Plan Sponsor

### #4 - Addition or Significant Improvement of Benefit Package Option (as determined by Plan Administrator)

If Plan Administrator determines that the addition or improvement is significant, eligible employees (whether currently participating or not) may revoke their existing election and elect the newly-added (or newly-improved) option.

Not applicable

Not applicable

Not applicable.

Must submit change request within 31 days of the specified event.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form, if later.

No change permitted for “insignificant” curtailment of coverage as determined by Plan Sponsor.

### Health Care FSA

### Dependent Care FSA

### Optional Life

(not subject to Salary Reduction Plan or Section 125 regulations)

## #5 - Change in Coverage Under Other Employer Cafeteria Plan or Qualified Benefits Plan

*(e.g., open enrollment under other employer plan)*

Corresponding changes can be made under employer’s plan. Not applicable.

Employee may revoke or decrease employee’s, spouse’s, or dependent’s coverage, but only if employee, spouse or dependent is added to spouse’s or dependent’s plan.

Must submit change request within 31 days of specified event.

New election will be effective the first of the month following the date of the specified event or the first of the month following submission of the change form if later.

Corresponding changes can be made under employer’s plan. Not applicable.

Employee may reduce contribution if spouse enrolls in his/her employer’s qualified DCFSA plan.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later

## #6 - HIPAA Special Enrollment Rights

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

#### A. Special enrollment for loss of other health coverage

Employee may elect coverage for employee, spouse, or dependent who has lost other coverage (COBRA coverage exhausted or terminated, no longer eligible for non-COBRA coverage, etc.)

Not applicable.

Not applicable

Not applicable

Does not apply to Dental.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later

#### B. Special enrollment for acquisition of new dependent by birth, marriage, adoption or placement for adoption.

Employee may elect coverage for employee, spouse, or dependent.

HIPAA not applicable.

HIPAA not applicable.

HIPAA not applicable.

Election of coverage may also extend to previously eligible (but not yet enrolled) dependents.

See #1 – Qualified Change in Status Event – A & B

See #1 – Qualified Change in Status Event – A & B

See #1 – A & B

Does not apply to Dental.

Must submit change request within 30 days of HIPAA special enrollment event.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

**Optional Life**  
(not subject to Salary Reduction Plan or  
Section 125 regulations)

If birth or adoption, coverage is effective on the date of birth, adoption or placement for adoption, providing the request is timely. However, premiums are paid from the first of the first of the month following the birth, adoption or placement.

If marriage, new election will be effective the first of the month following marriage, or the first of the month following submission of the change form if later.

Note: Under IRS “tag-along” interpretation, new and preexisting dependents may also be enrolled.

### #7 – COBRA Qualifying Events

*Loss of eligibility under a spouse's or dependent's plan (e.g., loss of dependent status or reduction in hours, etc.)*

Employee may enroll or add dependents who experience a COBRA qualifying event (loss of eligibility) if the individual still qualifies as a tax dependent of employee.	Not applicable.	Not applicable	Not applicable
---	-----------------	----------------	----------------

Must submit change request within 31 days of the COBRA qualifying

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

**Optional Life**  
(not subject to Salary Reduction Plan or  
Section 125 regulations)

event.

New election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

### #8 – Entry of a Qualified Medical Child Support Order (QMCSO)

#### A. Order that requires coverage for the child under employee's plan

Employee may change election to provide coverage for the child, but only if the order is directed to the State.

Not applicable.

Not applicable

Not applicable

Retroactive changes not permitted.

Change will be effective the first of the month following receipt of the order.

#### B. Order that requires spouse, or other individual to provide coverage for the child

Employee may change election to cancel coverage for the child, providing other coverage is actually obtained.

Not applicable.

Not applicable

Not applicable

Change will be effective the first of the month following submission of the change form.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

## #9 – Gain or Loss of Medicare or Medicaid Entitlement

### A. Employee, spouse or dependent becomes entitled to Medicare or Medicaid.

Employee may elect to cancel coverage for employee, spouse, or dependent, as applicable.

Not applicable

Not applicable

Not applicable

Does not apply to Dental.

Must submit change request within 31 days of the specified event.

New election will be effective the first of the month following the specified event, or the first of the month following submission of the change form if later.

### B. Employee, spouse or dependent loses Medicare or Medicaid entitlement.

Employee may elect to commence or increase coverage for employee, spouse, or dependent, as applicable.

Not applicable

Not applicable

Not applicable

Does not apply to Dental.

Must submit change request within 31 days of the specified event.

New Election will be effective the first of the month following the specified event, or the first of the

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life (not subject to Salary Reduction Plan or Section 125 regulations)

month following submission of the  
change form if later

## #10 – Family Medical Leave of Absence (or Military Leave under USERRA)

### A. Employee’s commencement of unpaid FMLA leave or unpaid Military Leave

Employee may revoke coverage or  
may continue coverage by making  
post-tax contributions.

Must submit change request within  
31 days of the specified event.

New election will be effective the  
first of the month following  
commencement of unpaid FMLA  
leave or submission of the change  
form if later.

Benefits are not payable for expenses  
incurred in any month in which  
contributions are not made.

Employee may revoke election or  
may continue coverage by making  
post-tax contributions.

Must submit change request within  
31 days of the specified event.

New election will be effective the  
first of the month following  
commencement of unpaid FMLA  
leave or submission of the change  
form if later.

Benefits are not payable for expenses  
incurred in any month in which  
contributions are not made.

Employee may revoke election.

Must submit change request within  
31 days of the specified event.

New election will be effective the  
first of the month following  
commencement of unpaid FMLA  
leave or submission of the change  
form if later.

Benefits are not payable for expenses  
incurred in any month in which  
contributions are not made.

Not applicable.

### B. Employee’s return from FMLA leave or Military Leave

Employee may be reinstated to same  
level of coverage in effect prior to the  
leave if coverage terminated while  
on FMLA leave or Military leave.

Must submit change request within  
31 days of the specified event.

Employee may be reinstated if  
coverage is terminated while on FMLA  
leave or Military leave.

Employee may resume same level of  
monthly contribution or may elect  
previous annual contribution by  
increasing monthly contribution

Employee may be reinstated if  
coverage terminated while on FMLA  
leave or Military leave.

Employee may resume same level of  
monthly contribution or may elect  
previous annual contribution by  
increasing monthly contribution

Not applicable.

## Exceptions to the Irrevocability Rules – Mid-year Changes (revised June 1, 2004)

### Medical & Dental Insurance

### Health Care FSA

### Dependent Care FSA

### Optional Life

(not subject to Salary Reduction Plan or  
Section 125 regulations)

(divide annual election minus contributions to date by the number of months remaining in the plan year.)

(divide annual election minus contributions to date by the number of months remaining in the plan year.)

Note: Benefits are not payable for expenses incurred in any month in which contributions are not made even if employee elects the same annual election.

Note: Benefits are not payable for expenses incurred in any month in which contributions are not made even if employee elects the same annual election.

Must submit change request within 31 days of the specified event.

Must submit change request within 31 days of the specified event.

#### Notes:

- The State's Optional Life Insurance plan is not part of the Salary Reduction Plan and is not subject to Section 125 regulations. It is included here as a convenience only.
- If coverage terminates for failure to pay the premium within the grace period, coverage may not be reinstated except as provided under FMLA and Military leave. If cancellation for non-payment of premium occurs, employee may reapply during next open enrollment period.
- The State of Colorado is entitled to recover premiums paid on behalf of a Participant (e.g., during the grace period).
- Retroactive elections are not permitted except as specifically noted (i.e., for newborns and adoptees).
- To the extent that there are inconsistencies between this chart and the source documents (e.g., the Group Master Contracts and/or State of Colorado Salary Reduction Plan Document), the source documents shall prevail.